Finance and Resources Committee

10.00am, Thursday, 15 August 2019

82 Joppa Road, Edinburgh - Proposed New Lease

Executive/routine Routine

Wards 17 – Portobello/Craigmillar

Council Commitments 10

1. Recommendations

1.1 That Committee:

1.1.1 Approves a new 15-year lease to Mr Harem Murdochy at 82 Joppa Road, Edinburgh on the terms outlined in this report and on other terms and conditions to be agreed by the Executive Director of Resources.

Stephen S. Moir

Executive Director of Resources

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Report

82 Joppa Road, Edinburgh - Proposed New Lease

2. Executive Summary

2.1 The former public convenience at 82 Joppa Road was previously marketed for disposal but did not lead to a sale being completed. The property has now been remarketed for lease and this report seeks approval to grant a new 15-year lease extension to Mr Harem Murdochy on the terms and conditions outlined in the report.

3. Background

- 3.1 The former toilet premises at 82 Joppa Road extend to 83.16 sq m (895 sq ft) as shown outlined in red on the attached plan.
- 3.2 The property was originally marketed for sale, in 2016 although the disposal did not complete. In April 2019, the property was remarketed for lease. A condition of the marketing was that any proposed use had to demonstrate that toilets would be provided for use by the public during opening hours, to be maintained at the tenant's expense.
- 3.3 A closing date was set for 22 May 2019 when 5 offers were received.
- 3.3. Mr Harem Murdochy submitted the preferred offer which proposes to convert the property for use as a café with kitchen, with W.Cs and ancillary storage.

4. Main report

4.1 Following negotiations between the Council and Mr Harem Murdochy the following terms have been provisionally agreed:-

Subjects: 82 Joppa Road, Edinburgh;

Lease term: 15-year lease from date of entry / completion;

• Rent: £25,000 per annum;

Repair: Full repairing and insuring lease;

• Rent Review: The rent will be reviewed on the 5th anniversary,

upwards only, to open market rental value;

• Use: The tenant shall use the premises as a hot food

café with kitchen with W.Cs and ancillary storage.

• Costs: Each party will be responsible for their own legal

and professional costs in relation to the new

lease negotiations;

• W.C / Public Access: The tenant will provide both male and female

disabled access toilets with baby changing facilities. The tenant will provide free public access to these toilet facilities within trading hours when possible, acting reasonably;

Other terms: As contained in a standard commercial lease.

4.2 It is a condition of the offer that planning permission is in place for the proposed use.

5. Next Steps

5.1 Following approval of the terms by Finance and Resources Committee, solicitors will be instructed to conclude the transaction.

6. Financial impact

6.1 A rental of £25,000 per annum, with potential for uplifts at future rent reviews, will be received by the General Fund for 15 years.

7. Stakeholder/Community Impact

7.1 Ward elected members have been made aware of the recommendations of the report.

8. Background reading/external references

8.1 N/A

9. Appendices

Appendix 1 - Location Plan

